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RECORDATION NO. 21210 FILED

FEB 5 '98

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ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

OF COUNSEL
URBAN A. LESTER

February 5, 1998

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a), are two (2) copies of a Memorandum of Lease Agreement, dated January 7, 1998, a primary document as defined in the Board's Rules for the Recordation of Documents.

The names and addresses of the parties to the enclosed document are:

Lessor: MRC Freightcar Leasing, LLC
One California Street
San Francisco, CA 94111

Lessee: Union Pacific Railroad Company
1717 Main Street
Dallas, TX 75201

A description of the railroad equipment covered by the enclosed documents is:

one hundred (100) gondolas CHTT 286525 through CHTT 286624.

RECEIVED
SURFACE TRANSPORTATION
BOARD
FEB 5 1 52 PM '98

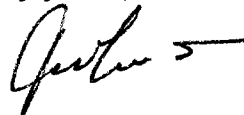
Counters part -

Vernon A. Williams
February 5, 1998
Page 2

Also enclosed is a check in the amount of \$24.00 payable to the order of the Surface Transportation Board covering the required recordation fees.

Kindly return one stamped copy of the enclosed document to the undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read "Robert W. Alvord", followed by a horizontal line.

Robert W. Alvord

RWA/bg
Enclosures

FEB 5 '98

1-55 PM

**MEMORANDUM OF LEASE AGREEMENT
BETWEEN
MRC FREIGHTCAR LEASING, LLC ("LESSOR")**

AND

UNION PACIFIC RAILROAD COMPANY

JANUARY 7, 1998

STB
COPY

Memorandum of a Lease Agreement made and entered into as of January 7, 1998 by and between MRC Freightcar Leasing, LLC, a Delaware limited liability corporation, ("Lessor") and Union Pacific Railroad Company, a Utah corporation ("Lessee").

WITNESSETH:

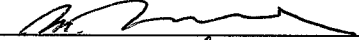
1. Lessor has agreed to furnish to Lessee, and Lessee has agreed to lease from Lessor one hundred (100) 52'-6" mill gondola railcars of bearing marks and numbers as follows:

CHTT 286525 - CHTT 286624

2. The Lease Agreement shall be effective as of the date first set forth hereinabove and shall be subject to the lease term, as described in the Lease Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be signed and sealed by their respective corporate officers as of the date and year first above written.

Lessor: MRC Freightcar Leasing, LLC

By: 
Title: Vice President & Treasurer
Date: January 30, 1998

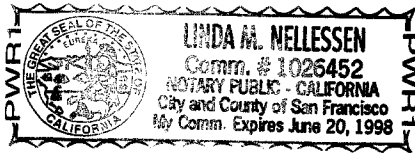
Lessee: Union Pacific Railroad Company

By: 
Title: VICE PRESIDENT - SUPPLY
Date: 1-12-98

STATE OF CALIFORNIA

CITY AND COUNTY OF SAN FRANCISCO

On this 30 day of January, 1998, before me personally appeared Michihiro Nose,
to me personally known, who being by me duly sworn, says that he is the
V.P. & Treasurer of MRC Freightcar Leasing, LLC that the foregoing instrument was
signed on behalf of said corporation, and he acknowledged that the execution of the said
instrument was his free act and deed.



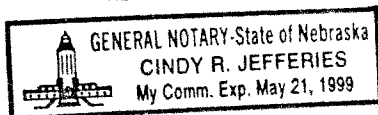
Linda M. Nellesen
NOTARY PUBLIC

My commission expires: June 20, 1998

STATE OF NEBRASKA

COUNTY OF DOUGLAS

On this 13th day of January, 1998, before me personally appeared
Mike Cropper, to me personally known, who being by me duly sworn, says
that he is the VP Supply of Union Pacific Railroad Company that the foregoing
instrument was signed on behalf of said corporation, and he acknowledged that the
execution of the said instrument was his free act and deed.,



Cindy R. Jefferies
NOTARY PUBLIC

My commission expires: